

**ONE HUNDRED FIRST LEGISLATURE - FIRST SESSION - 2009**  
**COMMITTEE STATEMENT**  
**LB160**

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**Hearing Date:** Friday January 23, 2009  
**Committee On:** Natural Resources  
**Introducer:** Gay  
**One Liner:** Authorize issuance of flood protection and water quality enhancement bonds by natural resources districts

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**Roll Call Vote - Final Committee Action:**  
Advanced to General File with amendment(s)

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**Vote Results:**  
**Aye:** 7 Senators Carlson, Cook, Dubas, Fischer, Haar, McCoy, Schilz  
**Nay:** 1 Senator Langemeier  
**Absent:**  
**Present Not Voting:**

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**Proponents:**

Senator Tim Gay  
Jim Thompson  
John Winkler  
Dean Edson  
Marty Grate  
Stanley Benke, Jr.  
Mark Stursma  
Paul Dierking  
Bob Peters  
John Fullenkamp  
Jerry Hare  
Fred Uhe

**Representing:**

Introducer  
Papio-Missouri River Natural Resources District  
Papio-Missouri River Natural Resources District  
Nebraska Association of Resources Districts  
City of Omaha  
Village of Waterloo  
City of Papillion  
HDR Engineering, Inc.  
City of Dakota City  
Metropolitan Omaha Builders  
City of Bellevue, Bellevue Chamber of Commerce  
Sarpy County Board

**Opponents:**

David Bargaen  
Paul Ruwe  
Shawn Melotz  
Kevin Propst  
Marian Maas  
Tyler Mohr  
Duane Wilcox  
Mike Boyle  
Clare Duda  
Robert Harper

**Representing:**

Papio Valley Preservation Association  
Nebraska Farm Bureau  
Papio Valley Preservation Association  
Village of Washington  
Papio Valley Preservation Association  
Self  
Self  
Douglas County Board  
Douglas County  
Papio Valley Preservation Association

**Neutral:**

**Representing:**

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**Summary of purpose and/or changes:**

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LB 160 allows a natural resources district that contains a metropolitan class city to use a portion of its existing mill levy to issue bonds.

Section 1 creates new language authorizing a natural resources district covering a metropolitan class city to issue bonds for entitled flood protection and water quality enhancement. Bonds are to be paid through a levy on all taxable property in the district. The special bond levy is to be considered when computing other limitations on a district's tax levy. If the levy exceeds 2-cents annually for each \$100 of taxable property valuation, approval by the voters is required.

Section 2 creates new language stating the purposes for which the bond proceeds are to be used. Included are: design, rights-of-way acquisition, and construction of multipurpose projects and practices for storm water management, including flood control and water quality (i.e. low-impact development best management plans, flood plain buyout, dams, reservoir basins and levees.)

Projects with more than 400 surface acres in its permanent pool are not allowed. Projects with more than 20 surface acres in its permanent pool must provide public access, and a district may not use eminent domain for the benefit of private enterprise.

Section 3 creates new language allowing the board of a district to issue warrants from the proceeds of the bonds for partial payments.

Section 4 creates new language authorizing a board of a district to pay fiscal agents for placement of the bonds or warrants, subject to certain restrictions.

Section 5 amends Sec. 2-3234, relating to natural resources districts, by excluding the provisions of this bill from the eminent domain power of a district.

Section 6 amends Sec. 2-3290.01, relating to how a district may use land, by adding that projects resulting in a reservoir or other body of water with a permanent pool greater than 20 surface acres that can be used for recreational purposes must have public access.

Section 7 requires assignment of the new language to Chapter 2, article 32 in the state statutes.

Section 8 repeals the original sections.

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### **Explanation of amendments:**

AM 735 puts several new provisions into LB 160, intended to narrow the scope of the bill. The amendment:

- \* Adds a ten year sunset provision. A December 31, 2019, termination date on the authority to issue bonds for qualified projects is added. Bonds already issued and outstanding on that date may remain outstanding and the district is still able to tax for payment on the bonds. Refunding bonds may also remain outstanding as of December 3, 2019, including extension of principal maturities if appropriate;
- \* Requires two-thirds vote of the members of the district's board of directors to approve the issuing of bonds;
- \* Allows a one-cent (replacing two-cents) tax levy for bonding;
- \* Prohibits bond proceeds from being used for combined sewer separation projects in a metropolitan class city; and
- \* Allows a county board to block use of bond proceeds or other funds of a district that encompasses a metropolitan class city for a reservoir or water quality basin project or projects greater than twenty surface acres if the board passes a resolution stating it does not approve of the construction of such a project within its exclusive zoning jurisdiction.

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Chris Langemeier, Chairperson